

*Moultonborough*  
*2013 Library Budget*  
*Recommendations and Comments*



Advisory Budget Committee

*Thursday, February 7, 2013*

February 7, 2013  
To the Board of Library Trustees  
Moultonborough Public Library  
Moultonborough, New Hampshire 03254

The ABC has completed its' review of the 2013 Proposed Library Budget.

Our intent is to ensure the budget process is a constructive versus confrontational experience and that the results of our collaborative efforts will be assessed as contributing constructive recommendations to the library financials. Specifically, our expertise, review and recommendations are intended to provide the public assurance and confidence.

The ABC continues to believe and promote the concept of consolidated services where we believe redundancies exist. The Trustees continue to re-enforce their understanding of the relevant RSA provisions defining Trustee responsibility for governing public libraries within the state of New Hampshire. The powers and duties of Library Trustees are defined in the state statutes Chapter, Title XVI; 202-A: 11. The Library, run independently from the Town Administration is funded primarily with taxpayer dollars supplemented with independent non tax levy funds.

The following report represents our independent opinions and suggestions. Any opinions and suggestions offered by the ABC represent our best efforts to maximize efficiencies, spending power and to consolidate redundancies between the various elements of Town-wide Administration (Town, Library, and School). Our suggestions and opinions should not be viewed as a negative reflection of the dedicated work done by the Library Trustees or Director of the Library Operations.

#### **Budget Summary:**

The proposed Library Budget for 2013 represents \$466,528 as compared to \$454,484 for the 2012 year. This represents an overall increase of \$12,044; a 2.65 % year-over-year increase. Total operating expenses remain unchanged from 2012 at \$83,000. We note that gross operating expenses actually represent \$92,500 and are offset by \$9,500 transferred from independent Library non tax levy funds. The Trustees and Library Director should be commended for their efforts. Total Salaries and Benefits increased 3.2% 2013 to 2012. The Budget for 2013 includes an approximate 2.9% increase in wages, supplemented by an increase in health insurance and retirement costs.

#### **OBSERVATIONS & COMMENTS:**

##### **Salary & Benefits**

The ABC is pleased to note that the Library trustees have chosen to implement our longstanding recommendation of pay for performance in 2013. Budgeted salary increases for 2013 range from 2.5 % to 3.5 %. The Committee has reviewed all current salary ranges and notes that all proposed salaries fall within their respective ranges. The committee further notes that support data for the pay ranges is based on a 2009 analysis performed by the Trustees. We recommend that analysis should be updated with current information prior to the next budget cycle.

## **Accounting and Administration**

Other Non-Core Library activities: We continue as in past reports to make the following observation related to Accounting.

Currently, the Library Trustees process all invoices for payment of goods and services manually. The committee believes that over the past several years the Library has grown considerably and that the time and effort currently expended could be more productively focused on activities directly involved in the operation of core Library Affairs. The committee believes that the Library Trustees should continue to maintain control and management over the approval process for invoice payment. However, all invoices once approved by the Library could be turned over to the Town Administrative Staff for computerized processing. Additionally, centralized processing of the accounts payable would facilitate production of a consolidated computer based Library Financial Report. Currently, the payroll is processed by the Town and the expenditures are processed by the Library on separate accounting systems. This committee continues to believe that consolidated accounting would also expedite the year end audit process. The majority of the committee supports transfer of processing accounts payable to the Town Administrative Staff.

## **Conclusion:**

We would like to thank the Library Trustees for their consideration and implementation of our prior recommendations and hope that we can continue mutual improvements to the Town Library. We believe that the proposed budget for operating expenses of \$466,528 as submitted is a comprehensive representation of the cost to operate Moultonborough's Library for 2013.

Other opportunities that should be pursued for further future cost improvement are:

- Joint maintenance of building and grounds activities, janitorial services,
- Shared processing of accounts payable,
- Bulk purchase of common supplies and services.

We believe these opportunities can be accomplished while maintaining the high quality of services and autonomy currently offered by the Moultonborough Library.

The Town Administration and Library Trustees should continue to find opportunities to work together to facilitate all feasible cost sharing opportunities in 2013. We firmly believe cooperative sharing of non-core services will provide the Trustees autonomy to direct the Core Library functions as per the intent of the RSA's, while reducing redundant costs for the Taxpayer.

Respectfully submitted,

*Jean Beadle, Chair - ABC*

Moultonborough Budget Advisory Committee

Alan Ballard

Jean Beadle

Kathy Garry (School Board Representative)

Barbara Sheppard (Library Trustee Representative)

Betsey Patten (Select Board Representative)